



STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
CHARLES J. KROGMEIER, DIRECTOR

INFORMATIONAL LETTER NO. 881

DATE: February 9, 2010

TO: Iowa Medicaid Family Planning Clinic Providers

ISSUED BY: Iowa Department of Human Services, Iowa Medicaid Enterprise

RE: Rate of Reimbursement

The purpose of this letter is to explain the Department of Human Services (DHS) actions related to the rates of reimbursement for Family Planning providers.

Iowa House File 811 increased reimbursement rates to Family Planning providers by 5% above the June 30, 2009 rates, with the increase to have gone into effect on July 1, 2009. However, before the Iowa Medicaid Enterprise (IME) could implement the rate changes, the Governor's Executive Order 19 called for a 5% decrease to those rates in effect on June 30, 2009. Below is an explanation of how DHS, in collaboration with representatives from the Family Planning provider community, has determined how this situation should be handled.

Rather than increasing rates retroactively back to July 1, 2009 and then decreasing those same rates effective December 1, 2009, which would have resulted in a five percent increase in rates for five months and a five percent decrease in rates for seven months, it has been decided that:

- Family Planning providers will not have a rate change effective December 1, 2009 (unlike most other providers).
- The Family Planning rates effective on June 30, 2009 will continue to be paid for dates of service through January 31, 2010. While many other provider types will experience a decrease in rates beginning with services provided as of December 1, 2009, Family Planning providers will not experience that decrease.
- Effective for dates of service beginning February 1, 2010 Family Planning providers will be reimbursed at a rate 5% more than the rates in effect on June 30, 2009. However, effective June 30, 2010, Family Planning providers will be reimbursed at the rates in effect on January 31, 2010.

The IME appreciates your partnership as we work together to serve the needs of Iowa Medicaid members. If you have any questions regarding payment for the services at issue, please contact the IME Provider Services Unit, 1-800-338-7909, locally 515-256-4609 or by e-mail at imeproviderservices@dhs.state.ia.us